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METHOD FOR PROTECTING SELLER AND BUYER IN TELECOMMUNICATIONS TRANSACTION USING COMPUTER NETWORK SYSTEM ;

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ABSTRACT:

A method for protecting a buyer and a seller in a telecommunications transaction using a computer network system, in which after a sales contract for a product is made, the delivery of the product and payment for the product are smoothly processed to protect both the buyer and the seller is provided. The method has steps of (a) the server providing an online space wherein a product offered by the seller computer can be purchased by the buyer computer; (b) the buyer accessing the online space and selecting a product to buy; (c) the buyer settling an account for price of the product selected, and transmitting buyer information, including a desired delivery location, to the server; (d) the server transmitting the product information and the buyer information to the seller computer; (e) the buyer transmitting confirmation information on whether or not the delivered product is in a normal condition; and (f) if the confirmation information indicates that the product is in a normal condition, the server paying the settlement price for the product to the seller. According to the method, taking a server, which manages telecommunications transactions, as a medium, if the price paid by the buyer is sent to the server, the seller delivers the product to the buyer, and if the buyer confirms that the product is in a normal condition, the price is sent to the seller.

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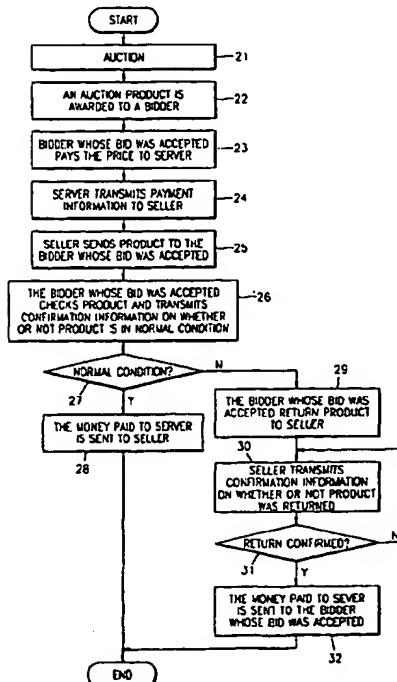
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(54) Title: METHOD FOR PROTECTING SELLER AND BUYER IN TELECOMMUNICATIONS TRANSACTION USING COMPUTER NETWORK SYSTEM



(57) Abstract: A method for protecting a buyer and a seller in a telecommunications transaction using a computer network system, in which after a sales contract for a product is made, the delivery of the product and payment for the product are smoothly processed to protect both the buyer and the seller is provided. The method has steps of (a) the server providing an online space wherein a product offered by the seller computer can be purchased by the buyer computer; (b) the buyer accessing the online space and selecting a product to buy; (c) the buyer settling an account for price of the product selected, and transmitting buyer information, including

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a desired delivery location, to the server; (d) the server transmitting the product information and the buyer information to the seller computer; (e) the buyer transmitting confirmation information on whether or not the delivered product is in a normal condition; and (f) if the confirmation information indicates that the product is in a normal condition, the server paying the settlement price for the product to the seller. According to the method, taking a server, which manages telecommunications transactions, as a medium, if the price paid by the buyer is sent to the server, the seller delivers the product to the buyer, and if the buyer confirms that the product is in a normal condition, the price is sent to the seller.

**METHOD FOR PROTECTING SELLER AND BUYER IN
TELECOMMUNICATIONS TRANSACTION USING COMPUTER
NETWORK SYSTEM**

5 Technical Field

The present invention relates to a method for protecting a buyer and a seller in a telecommunications transaction using a computer network system, in which after a sales contract for a product is made, the delivery of the product and payment for the product are smoothly processed to 10 protect both the buyer and the seller.

10 Background Art

When a seller and a buyer make a telecommunications transaction using a communication network, instead of a direct transaction, the buyer shows a buying intention for a product, the seller delivers the product to the 15 buyer, the buyer receives and checks the product, and pays the price to the seller. Or, unlike this, a method in which the buyer first pays for the product, and then the seller sends the product is also used.

In the former method, the seller cannot be guaranteed that the money for the product should be sent to the seller, and if the buyer does not 20 send the money for the product in an appointed time, the seller should make additional efforts for collecting the money for the product. Also, in the latter method, the buyer cannot be guaranteed that the delivered product should be in a normal condition, and if the buyer wants to return the product due to a defect, the buyer should get the paid money back, but the 25 procedure is usually cumbersome. Therefore, both the buyer and the seller make a transaction bearing a risk in the above methods.

Disclosure of the Invention

To solve the above problems, it is an objective of the present 30 invention to provide a method for protecting a seller and a buyer in which an online transaction of a product is made using a computer network system and then the delivery of the product and the payment for the price

of the product can be smoothly processed, and a computer readable recording medium which stores a program for executing the method in a computer.

To accomplish the above object of the present invention, there is
5 provided a method for protecting a seller and a buyer in a telecommunications transaction, in a computer network system in which a server for managing telecommunications transactions, at least one or more buyer computers, and at least one or more seller computers are connected through a communication network, and a buyer and a seller make
10 transactions using their computer with the server as a medium, the method having the steps of (a) the server providing an online space in which a product offered by the seller computer can be purchased by the buyer computer; (b) the buyer accessing the online space and selecting a product to buy; (c) the buyer settling an account for price of the product selected,
15 and transmitting buyer information, including a desired delivery location, to the server; (d) the server transmitting the product information and the buyer information to the seller computer; (e) the buyer transmitting confirmation information on whether or not the delivered product is in a normal condition;
and (f) if the confirmation information indicates that the product is in a
20 normal condition, the server paying the settlement price for the product to the seller.

An example of the online space is a web site in which there are various contents. The buyer information can further include various information required for buying and delivery, such as a contact number,
25 name, desired delivery date, as well as the desired delivery region.

It is preferable that if the confirmation information indicates that the product is not in a normal condition in the step (f), further having the steps of (g) the seller transmitting return confirmation information on whether or not the product is returned from the buyer, to the server; and (h) according
30 to the return confirmation information, paying the settlement price to the buyer.

To accomplish another object of the present invention, there is also

provided a method for protecting a seller and a buyer in a telecommunications transaction, in a computer network system in which a server for managing telecommunications transactions, at least one or more buyer computers, and at least one or more seller computers are connected
5 through a communication network, and a buyer and a seller make transactions using their computer with the server as a medium, the method having the steps of (a) the server providing an online space in which a product offered by the seller computer can be purchased by the buyer computer; (b) the seller registering his bank account with the server, and
10 the server providing a server's bank account, to which the price for a product is to be paid, to the online space; (c) the buyer accessing the online space, selecting a product to buy, paying the price for the selected product to the server's bank account, and registering buyer information, including a desired delivery location, with the server; (d) the server transmitting the
15 product information and the buyer information to the seller computer; and (e) if the buyer registers confirmation information on whether or not the delivered product is in a normal condition, with the server, automatically paying the price for the product to the seller's registered bank account.

20 Brief Description of the Drawings

FIG. 1 illustrates the structure of a computer network system for performing the present invention; and

25 FIG. 2 is a flowchart for showing a procedure for performing a method for protecting a seller and a buyer according to the present invention.

Best mode for carrying out the Invention

Hereinafter, embodiments of the present invention will be described in detail with reference to the attached drawings. The present invention is
30 not restricted to the following embodiments, and many variations are possible within the spirit and scope of the present invention. The embodiments of the present invention are provided in order to more

completely explain the present invention to anyone skilled in the art.

FIG. 1 illustrates the structure of a computer network system for performing the present invention. A server computer 11 belongs to a company which conducts an online auction or a telecommunications transaction. A buyer computer 16 is connected to the server computer 11 through a communication network 15 so that a buyer can buy a product in a web site serviced by the server computer 11. Also, a seller who provides a product for the auction or the transaction can register a product to be sold with the server computer 11 through a seller computer 13 connected to the server computer 11 through the communication network 15.

The server computer 11 has a database for buyer information, a database for product information, and a database for seller information, and stores a program for performing an ordinary online telecommunications transaction process.

The buyer computer 16 and the seller computer 13 which are connected to the communication network 15 have Internet browsers (for example, Netscape, and Internet Explorer) which can display web contents encoded in Hyper Text Markup Language (HTML) and so on. The web browser makes each computer access and display the content of an HTML templet in the server computer 11. The HTML templet of the server computer 11 has a main web page to be displayed for telecommunications transaction users such as the buyer computer 16 and the seller computer 13.

FIG. 2 is a flowchart for showing a procedure for performing a method for protecting a seller and a buyer according to the present invention, and shows a case in which a transaction is made by an online auction using the Internet. However, this method can be applied to other telecommunications transactions such as a reverse auction transaction and a shopping mall, which is clear to a person in the filed of this technology.

For a product which a seller registers with the server 11 and is to be auctioned, a buyer participates in the auction in step 21. In this case, the buyer can register his account with the server 11. If the bidding closing time

has arrived, it is determined whose bid will be accepted in step 22. Detailed explanation on bidding and awarding will be omitted. If an auction product is awarded to a bidder, the server transmits the accepted bid information through E-mails or other telecommunications medium to the buyer computer 16 of the bidder whose bid was accepted, and to the seller computer 13 of the product. The accepted bid information can include specifications of the accepted product, the accepted bid, the bidder whose bid was accepted, and seller information.

The bidder whose bid was accepted checks the result of the auction and then pays the money for the product to a bank account of the server 11, or settles an account for the price of the product using a credit card or electronic money in step 23. The server 11 checks the state of payment by the bidder whose bid was accepted as follows.

The bidder inputs detailed payment information to the server 11 after the bidder pays the price through payment without using a bankbook, bank account transfer, PC banking, or credit card. If the payment from the bidder whose bid was accepted is confirmed, the sever 11 transmits payment information and accepted bidder information to the seller through an E-mail in step 24. In this case, the server 11 can have a processing system for automatically checking payment state related to the accepted product and the bidder whose bid was accepted, in connection with a financial institution.

The seller confirms that the price corresponding to the accepted product is paid based on the payment information transmitted from the server 11, and then delivers the product to the bidder whose bid was accepted to a designated delivery location in step 25. At this time, the seller transmits delivery information, for example, information on when, where, and how the product was delivered, to the sever 11, and the server 11 transmits the delivery information to the computer 16 of the bidder whose bid was accepted.

The bidder whose bid was accepted checks the content and condition of the delivered product and transmits confirmation information on

whether or not the product is in a normal condition to the server 11 through an E-mail or other communication medium in step 26. If the confirmation information that indicates the delivered product is in a normal condition is transmitted to the server 11 in step 27, the server 11 transmits the 5 confirmation information to the seller and pays the price for the product paid by the buyer to a designated bank account of the seller. In this case, the server can prepare a program which automatically pays the price to the bank account registered by the seller, immediately after the buyer transmits the confirmation information to the server.

10 If the delivered product has a defect, the bidder whose bid was accepted should return the product to the seller and get the paid money back. In this case, the bidder whose bid was accepted transmits information on returning the product to the server 11 and returns the product to the seller in step 29. If the seller receives the product returned 15 by the bidder, the seller transmits confirmation information on whether or not the product was returned to the server in step 30. If the server confirms that the product is returned in step 31, the server sends the money paid to the server's account back to the bidder whose bid was accepted in step 32. By doing so, the bidder gets the paid money back.

20 A specific embodiment of the present invention will now be briefly explained. The server receives a bank account or credit card information for paying for the product, payment information of the buyer, personal information, product information, and basic information of the seller. Also, at this time, the bank account of the seller for receiving money is registered. 25 If his bid is accepted, a buyer actually sends the price for the accepted product to the designated bank account of the server.

After receiving a notice that the price for the product is paid by the buyer, the seller delivers the product, for which the price is paid, to the buyer. However, if the seller does not deliver the product to the buyer, the 30 price paid by the buyer is automatically returned to the bank account of the buyer. That is, if the delivery of the product is not confirmed within a predetermined period, the price may be automatically returned to the bank

account of the buyer thereby canceling the transaction. After receiving the product, for which he paid the price, in a normal condition, the buyer asks the server to pay the price to the seller.

In the present invention, all the price for the product is paid to a
5 designated bank account of the server at the time when the transaction service is requested. This method is better than a method in which only payment information is registered at the time when the service is requested, and after completing a predetermined process, actual payment is made and then the price is sent to the seller.

10 The embodiment of the present invention described above explained the online auction using the Internet as an example. However, an auction using other communication networks, for example, a public switched telephone network, can also be implemented. A method in which information from a server is provided to a buyer or seller and vice versa can
15 be implemented in hardware or software in various ways using an ordinary programming skill, which is easily understood by a person in the field of this technology.

The present invention may be embodied in a code, which can be read by a computer, on a computer readable recording medium. The
20 computer readable recording medium may be any kind on which computer readable data are stored. The computer readable recording media may be storage media such as magnetic storage media (e.g., ROM's, floppy disks, hard disks, etc.), optically readable media (e.g., CD-ROMs, DVDs, etc.), or carrier waves (e.g., transmissions over the Internet). Also, the computer
25 readable recording media can be scattered on computer systems connected through a network and can store and execute a computer readable code in a distributed mode.

Industrial Applicability

30 As described above, according to the method for protecting a seller and a buyer of the present invention, the seller delivers the product to the buyer only when the price for the product is paid by the buyer to the server,

and the price is sent to the seller only when the buyer confirms that the product is in a normal condition. That is, the buyer pays the price after he confirms that the product is in a normal condition, and if the product has a defect, the buyer can get the paid price back immediately. Meanwhile, if
5 the product is delivered in a normal condition, the seller can be paid immediately. Therefore, both the buyer and the seller can make transactions without bearing risk.

What is claimed is:

1. A method for protecting a seller and a buyer in a telecommunications transaction, in a computer network system wherein a server for managing telecommunications transactions, at least one or more
5 buyer computers, and at least one or more seller computers are connected through a communication network, and a buyer and a seller make transactions using their computer with the server as a medium, the method comprising the steps of:
 - (a) the server providing an online space wherein a product offered
10 by the seller computer can be purchased by the buyer computer;
 - (b) the buyer accessing the online space and selecting a product to buy;
 - (c) the buyer settling an account for price of the product selected, and transmitting buyer information, including a desired delivery location, to
15 the server;
 - (d) the server transmitting the product information and the buyer information to the seller computer;
 - (e) the buyer transmitting confirmation information on whether or not the delivered product is in a normal condition; and
20
 - (f) if the confirmation information indicates that the product is in a normal condition, the server paying the settlement price for the product to the seller.

2. The method of claim 1, if the confirmation information
25 indicates that the product is not in a normal condition in the step (f), further comprising the steps of:

- (g) the seller transmitting return confirmation information on whether or not the product is returned from the buyer, to the server; and
 - (h) according to the return confirmation information, paying the
30 settlement price to the buyer.

3. A method for protecting a seller and a buyer in a telecommunications transaction, in a computer network system wherein a

server for managing telecommunications transactions, at least one or more buyer computers, and at least one or more seller computers are connected through a communication network, and a buyer and a seller make transactions using their computer with the server as a medium, the method
5 comprising the steps of:

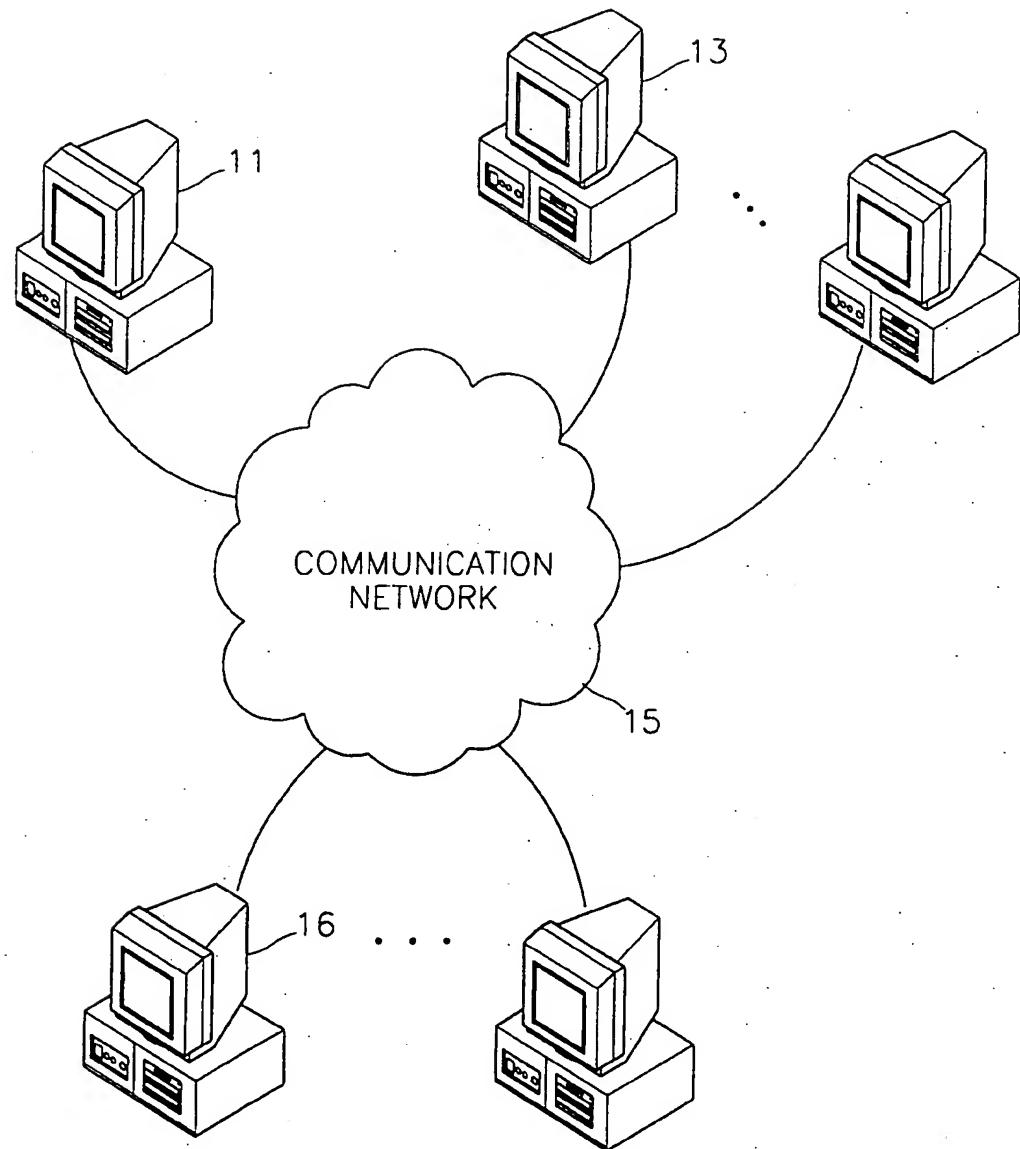
- (a) the server providing an online space wherein a product offered by the seller computer can be purchased by the buyer computer;
- (b) the seller registering his bank account with the server, and the server providing a server's bank account, to which the price for a product
10 is to be paid, to the online space;
- (c) the buyer accessing the online space, selecting a product to buy, paying the price for the selected product to the server's bank account, and registering buyer information, including a desired delivery location, with the server;
- 15 (d) the server transmitting the product information and the buyer information to the seller computer; and
- (e) if the buyer registers confirmation information on whether or not the delivered product is in a normal condition, with the server, automatically paying the price for the product to the seller's registered bank account.

20 4. A computer readable recording medium which stores a program for executing a method for protecting a seller and a buyer in a telecommunications transaction, in a computer network system wherein a server for managing telecommunications transactions, at least one or more
25 buyer computers, and at least one or more seller computers are connected through a communication network, and a buyer and a seller make transactions using their computer with the server as a medium, wherein the method comprises the steps of:

- (a) the server providing an online space wherein a product offered by the seller computer can be purchased by the buyer computer;
- (b) the buyer accessing the online space and selecting a product to
buy;

- (c) the buyer settling an account for price of the product selected according to a method provided by the server, and transmitting buyer information, including a desired delivery location, to the server;
- (d) the server transmitting the product information and the buyer information to the seller computer;
- (e) the buyer transmitting confirmation information on whether or not the delivered product is in a normal condition; and
- (f) if the confirmation information indicates that the product is in a normal condition, the server paying the settlement price for the product to the seller.

1/2
FIG. 1



2/2

